

Message Text

LIMITED OFFICIAL USE

PAGE 01 OECD P 14577 01 OF 02 171942Z

70

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

EA-07 FRB-03 INR-07 IO-13 NEA-10 NSAE-00 USIA-06

OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 OMB-01

XMB-02 H-02 L-03 PA-01 PRS-01 /093 W
----- 053609

R 172030Z MAY 76

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 2044

INFO USDA/WASHDC

ALL OECD CAPITALS 0258

AMEMBASSY BELGRADE

AMEMBASSY MOSCOW

LIMITED OFFICIAL USE SECTION 01 OF 02 OECD PARIS 14577

PASS: USDA FOR FRASER AND WITCHER, FAS; FARRELLJM NOHRE,
AND KRIESBERG, ERS

E.O. 11652: N/A

TAGS: EAGR OECD

SUBJECT: XCSS CONSIDERATION OF WORLD AGRICULTURAL
STUDY, MAY 13, 1976

1. SUMMARY. OF 10 DELEGATIONS WHICH DISCUSSED SECGEN'S
PROPOSAL, AS A FOLLOWUP TO SUBJECT STUDY (C(75)157
AND CORRIGENDUM), TO ENTRUST EXAMINATION OF FOOD
SECURITY PROBLEM TO AN AD HOC GROUP UNDER XCSS, ONLY
ONE (N.Z.) FAVORED PROPOSAL. THUS PROPOSAL WAS DROPPED.
INSTEAD, FOLLOWUP WORK WILL TAKE PLACE IN EXISTING
OECD FORA. XCSS WENT ON RECORD AS FAVORING "INTER-
ACTION" BETWEEN INTERESTED COMMITTEES AND WORKING
PARTIES LEAVING "INSTITUTIONAL MATTERS" TO COUNCIL AND
TO THESE BODIES. AGENDA ITEMS UNDERSTOOD TO BE (1)
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 14577 01 OF 02 171942Z

MARKET FLUCTUATIONS, (2) COMPARATIVE MARGINAL PRODUC-

TION COST IN DIFFERENT OECD REGIONS, AND (3) FOOD PRODUCTION AND PURCHASING POWER PROBLEM OF LDC'S. SECGEN'S INTENTION TO PUBLISH STUDY ASAP DREW MANY FAVORABLE COMMENTS. END OF SUMMARY.

2. DIRECTOR OF AGRICULTURE SIMANTOV SUMMARIZED STUDY AGAIN REFERRING TO HIS EARLIER SUMMARY ON OCTOBER 23, 1975 (SEE OECD PARIS 27071, 27118 AND 27529). HE STRESSED ROLE OF OECD AREA AS RESIDUAL SUPPLIER OF FOOD TO THE WORLD. IN CONTRAST TO OCTOBER PRESENTATION, DURING WHICH HE SAID PROSPECT OF SEVERE TRADE FLUCTUATIONS HAD TO BE RE-EXAMINED IN LIGHT OF US-USSR GRAIN TRADE AGREEMENT THEN JUST ANNOUNCED, HE RE-EMPHASIZED PROSPECT OF "FLUCTUATIONS CONTINUING WITH A DEGREE OF SEVERITY SUCH AS WE HAVE EXPERIENCED THE LAST FEW YEARS" AND THE LIKELIHOOD THAT RESTRICTIONS ON EXPORTS AND IMPORTS MIGHT BE IMPOSED AS A RESULT OF SUCH FLUCTUATIONS. HE SPECIFICALLY RELATED THE SOVIET UNION'S GREATER IMPORTANCE AND INCREASED IRREGULAR ROLE IN WORLD MARKETS TO THE PROBLEM OF FOOD SECURITY IN GENERAL AND FOR LDC'S IN PARTICULAR. HE POSTULATED INCREASED FOOD SECURITY AND SAID OECD MUST PROVIDE ASSISTANCE TO MEMBER GOVERNMENTS FOR THEIR NEGOTIATIONS IN OTHER FORA. REGARDING PUBLICATION OF STUDY HE STATED THAT IT WAS ALREADY EXTENSIVELY QUOTED.

3. U.S. (J.KATZ) PRAISED STUDY, SUGGESTED FURTHER WORK ON HYPOTHESIS OF INCREASED INSTABILITY OF WORLD TRADE IN JOINT WORKING PARTY OF AGRICULTURE AND TRADE COMMITTEES, ASKED FOR ANALYSIS OF COMPARATIVE COST OF MARGINAL PRODUCTION IN DIFFERENT OECD REGIONS AND FURTHER EXAMINATION OF LDC PROBLEMS AND FAVORED EXAMINATION OF POLICY ALTERNATIVES (IN CONTRAST TO BASIC STUDY'S "ASSUMPTION OF THE CONTINUATION OF EXISTING POLICIES").

4. SPAIN (VALLAURE), IN FAR-RANGING INTERVENTION, ENDORSED US POSITION AND STRONGLY SUPPORTED (1) LONG-TERM, MEDIUM-TERM, AND SHORT-TERM OUTLOOK WORK BY OECD AND (2) DERESTRICTION OF STUDY. NETHERLANDS (WESTERHOFF) LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 14577 01 OF 02 171942Z

SPOKE SIMILARLY. N.Z. (MCARTHUR) ALONE FAVORED SECGEN'S PROPOSAL TO CONVENE AD HOC GROUP ON FOOD SECURITY WHICH WOULD EXAMINE POLICY ALTERNATIVES AND MARGINAL COSTS OF PRODUCTION; ALSO MENTIONED POSSIBILITY OF FURTHER DISCUSSION OF STUDY IN COMMITTEE FOR AGRICULTURE AT MINISTERIAL LEVEL AND IN COUNCIL. EC (HIJZEN), IN LOW-KEY INTERVENTION, SPECIFICALLY ENDORSED THE NOTES OF THE 3 COMMITTEE CHAIRMEN (CE(76)8, 9 AND 11) AND

PUBLICATION.

5. AUSTRALIA (CAMERON) WANTED ANALYSIS SHARPENED
UP BEFORE PUBLICATION BY INTRODUCING ANALYSIS OF
ALTERNATIVE POLICIES AND PLUGGING IN MAGNITUDES DERIVED
FROM SUCH ALTERNATIVES, COMPLAINED ABOUT ONE-SIDEDNESS

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 14577 02 OF 02 171941Z

70

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

EA-07 FRB-03 INR-07 IO-13 NEA-10 NSAE-00 USIA-06

OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 OMB-01

XMB-02 H-02 L-03 PA-01 PRS-01 /093 W

----- 053656

R 172030Z MAY 76

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 2045

INFO USDA/WASHDC

ALL OECD CAPITALS 0259

AMEMBASSY BELGRADE

AMEMBASSY MOSCOW

LIMITED OFFICIAL USE SECTION 02 OF 02 OECD PARIS 14577

OF FOOD SECURITY CONCEPT BY OMISSION OF MARKET ACCESS,
PROTECTION FROM SUBSIDIZED EXPORTS AND EFFICIENT ALLO-
CATION OF RESOURCES.

6. JAPAN (YOSHINO) SAID JAPANESE AGRICULTURAL PROTEC-
TION WAS COMPLEX AND DID NOT PERMIT OBJECTIVE COMPARI-
SON. (COMMENT: THIS SOMEWHAT SURPRISING COMMENT WAS
ELABORATED UPON 2 DAYS EARLIER WHEN JAPANESE AGR ATTACHE
DURING VISIT AT US MISSION INTIMATED THAT JAPANESE

AGRICULTURAL POLICY MUST NOT BE JUDGED IN TERMS OF ECONOMIC OBJECTIVES. THIS CONTENTION WAS MORE EMPHATICALLY ADVANCED THAN AT THE TIME OF THE EXAMINATION OF JAPAN IN THE WORKING PARTY ON AGRICULTURAL POLICIES IN DECEMBER 1973.)

7. AUSTRIA (GEHR) ASKED WHETHER IT WAS NOT INCONSISTENT FOR STUDY TO MENTION BOTH, OECD AREA PRODUCTION POTENTIAL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 14577 02 OF 02 171941Z

TIAL AND FOOD INSECURITY. SIMANTOV REPLIED THAT LACK OF LDC PURCHASING POWER WAS PROBLEM. OECD POTENTIAL WOULD NOT BE USED UNLESS PRODUCTION WAS NEEDED.

8. CHAIR (JOLLES) SUMMARIZED: APPRECIATION FOR STUDY, CONSENSUS ON PUBLICATION, AGREEMENT FOR FURTHER STUDY OF PROBLEMS; HOWEVER, EXAMINATION OF POLICY ALTERNATIVES, ALTHOUGH POSSIBLE, COULD NOT BE A MANDATE FOR ANY SUBGROUP; INTERACTION OF 3 COMMITTEES (AGRICULTURE, TRADE AND DAC) ACCEPTED, OVERLAPPING WITH OTHER ORGANIZATIONS TO BE AVOIDED.
TURNER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING DELEGATIONS, COMMITTEES, AGRICULTURAL AGREEMENTS, AGRICULTURAL POLICIES, STUDIES
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAY 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: vogelfj
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OECDP14577
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760190-1027
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760546/aaaabnhh.tel
Line Count: 195
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: vogelfj
Review Comment: n/a
Review Content Flags:
Review Date: 20 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 APR 2004 by ellisoob>; APPROVED <18 AUG 2004 by vogelfj>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: XCSS CONSIDERATION OF WORLD AGRICULTURAL STUDY, MAY 13, 1976
TAGS: EAGR, FR, US, NZ, OECD
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006